

**RESOLUTION
OF THE BOARD OF TRUSTEES (the “Board”) OF THE COLORADO SURPLUS
ASSET FUND TRUST (“CSAFE”) ESTABLISHING AN EXPENSE ALLOCATION
POLICY FOR CSAFE’S EXPENSES BETWEEN AND AMONG THE CSAFE FUNDS**

RESOLUTION NO. 2018-09-01

WHEREAS, CSAFE has recently added an additional fund known as CSAFE Cash Fund and Core Fund. As a result, CSAFE’s auditors have requested that the Board develop an expense allocation policy allocating CSAFE’s expenses, where possible, between the two existing funds, and providing for a methodology in the event that additional funds are developed later; and

WHEREAS, in response to that request, the Board has prepared an Expense Allocation Policy attached hereto as Exhibit A and incorporated herein by this reference, and, after discussion, the Board has approved the Expense Allocation Policy attached as **Exhibit A**.

NOW, THEREFORE, be it Resolved by the Board, that:

1. The CSAFE Board hereby adopts the expense allocation policy attached hereto as **Exhibit A**, to be effective as written until this Policy is amended or repealed by future Board action.

Approved by motion at a properly noticed Board meeting on September 28, 2018.

CSAFE, a Common Law Trust:

By: _____
Alan Krcmarik
Chairman of the Board of Trustees
Colorado Surplus Asset Fund Trust

CSAFE
Expense Allocation Policy
September 28, 2018

I. Introduction

The purpose of the Expense Allocation Policy is to present a uniform method of cost allocation between the CSAFE Cash Fund, Core Fund, and any additional funds that may be added in the future.

II. Direct Allocation

Any and all expenses that are directly attributable to a specific fund shall be allocated entirely to that fund. For example, costs associated with establishing the Core Fund (legal opinions, rating agency reviews, etc.) shall be allocated directly to the Core Fund.

III. Vendor Estimates

Expenses billed to CSAFE where the vendors estimates an amount or percentage attributable to a specific fund shall be allocated based on the estimates identified per the invoice or other appropriate correspondence from the vendor. For example: if, in the proposal for audit services, the CPA firm estimates the charges to be 60% to the CSAFE Cash Fund and 40% to the Core Fund and invoices CSAFE accordingly, such invoices shall be allocated 60/40 per the proposal.

IV. Shared Expenses

All general expenses and any other charges or invoices lacking sufficient documentation to allocate based on Sections II or III above shall be allocated proportionately amongst all active funds based on the beginning balance in each fund as of the first day of the month of the date of service. For example: expenses related to the July Board of Directors meeting shall be allocated based on the balances of each fund as of July 1st of that year.

V. Retroactivity

This policy shall be applied retroactively to any transactions in the 2018 fiscal year that can be reasonably identified and allocated appropriately.